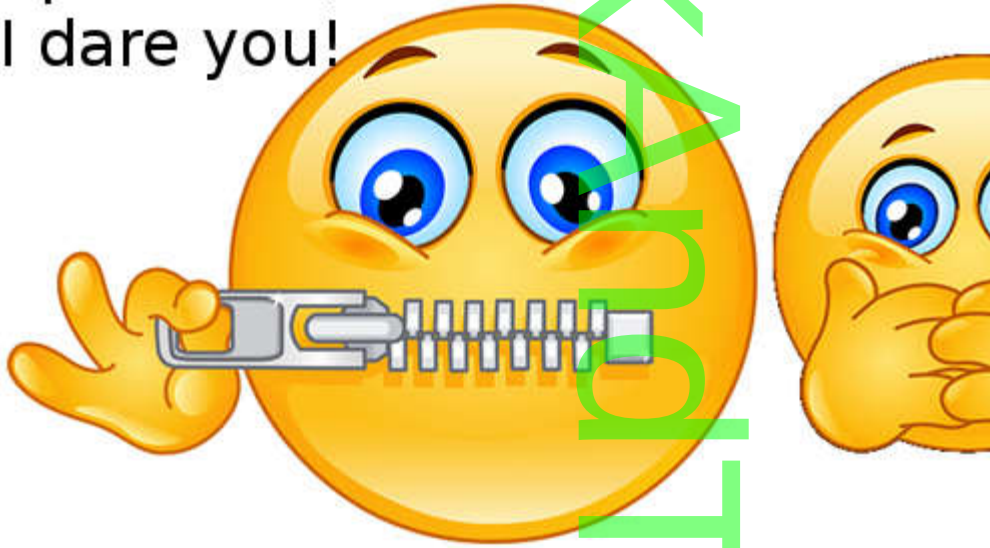


Louisiana Flood Victims fear losing HUD CDBG-DR Grant funds if they speak out about the Restore.LA.Gov Program

**Speak out,
I dare you!**



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Its 2018 fear and ignorance of what state employees can and can not do fills the hot humid air here in the state of Louisiana. You've seen the pictures, the piss po southern sitting in a chair on an old porch that looks like it's about to collapse.

Why are politicians turning their heads on select individuals over a Small Business Administration administered loan they have never taken and never will when related to the 2016 Floods of Louisiana.

Texas and Puerto Rico you all are next to be ignored once your state Office of Community Development setups up like the State of Louisiana Office of Community Development Disaster Recovery Unit. Governor J.B. Edwards was the one that called the Executive order to form this Restore LA group that is managed by the State of Louisiana and an outsourced multi-million dollar risk management company called IEM Inc located in North Carolina.

Let's start from the beginning so I can prove we need to elect only officials that can read the word and understand it's meaning. It's this ignorance of the laws that needs to end by our law makers. If they pass a law we expect them to enforce the law.

August 2016, rains produced historical flooding in Louisiana.

FEMA awarded many homeowners up to \$30,000.00 to make repairs on their flooded homes.

Estimates for repairs were very low, labor and materials were on the rise and not a single group was

interested in helping those that didn't have flood insurance or the means to acquire a loan from any classical lenders or government secured Small Business Associated managed loans simply called SBA Loans.

Households with Flood Insurance and Credit to repair their homes did. Many of those same people are now asking the government to waive the SBA Loan as a duplication of benefits so HUD's CDBG-DR program can swoop in and pay down or pay off the homeowners SBA Loans. The processes of using Federal Funds to pay Federal Secured loans is against the Stafford Act which will need to be updated to allow HUD CDBG-DR funds to qualify as federal funds used to pay down or pay off government secured loans such as SBA Loans.

But that's not what I am going to be talking about here. The people that didn't have flood insurance and are in the Low to Moderate Income ranges. HUD CDBG-DR Grants are designed to first help the LMI (Low to Moderate Income) households and after 70% of those households are covered the funds can be used to help other income brackets.

The State of Louisiana has lowered the 70% LMI percentage to 50% LMI and has added new processes to the Duplication of Benefits process that makes the 50% LMI percentage even lower.

The State of Louisiana Office of Community Development managed by Executive Director Patrick Forbes has ignored the House Resolution 1892 and Public Law 115-123 published in HUD's Federal Register Notices as well as ignored HUD's CDBG-DR training updated the first quarter of 2018.

"Why help anyone in the south, it's all corruption and wasteful spending if you ask me."

When you live in the 2nd poorest state in the US and the lowest educated as well you notice those in power seem to think everyone fits the same shoe size.

When a disaster hits the shores and inland the people come to the aid of others. But soon after life is saved each of us returns to our southern way of life which is we stay within our small groups and don't complain about much of anything other than the weather.

When we are looking for a helping hand we aren't looking for a handout. We know how to rebuild after disasters, but as age and time draws our shadows closer to the ground around us we run short of the physical, mental and financial resources needed to rebuild successfully after each major disaster.

What does it mean when we have a Presidentially Declared Disaster / Major Disaster Declarations?

It typically means you just suffered a major natural event and the federal government is going to rush in relief aid to help in the immediate aftermath of the disaster.

If you are out of state you see images of us all crying and sitting around waiting for someone to pick us up. I'll say that's about 1% of the people. Sure, waiting for flood waters to recede does take time and during that time the people are helping the people. It's not the federal government on the ground or even your local government.

It's the local people that start helping each other.

You might think that southerners get along with everyone, that's not what I have learned, they are independent, family, church and sports oriented. You may not know their names but you will know their faces when it comes time to tailgate or help distribute water to those that need it.

When the President of the United States of America declares a disaster it often goes without notice at first by those affected by the disaster. We're still in evacuation mode or return and survival modes when that news hits.

When our disaster needs increase past what local neighbors and communities can offer we then look to our local and state government officials that are trained in disaster response and recovery operations to do their jobs.

We count on local government only in these times for the most part. We're an independent type of people when not stressed to the limits.

We follow the guidelines placed in front of us by local and state government employees. Not questioning anything that is sent out our way. We're still cleaning up after the disaster and repairs are just beginning, we don't have time to research and study what our state government is doing for us, we just have to have a little faith and a whole lot of trust.

We were told to sign up with FEMA to receive the first federal financial aid.

FEMA then told us all to apply for a low interest loan from the Small Business Association (SBA).

Then we were told if we were eligible for any type of rental or housing assistance.

We're not talking much, from a few thousand to a maximum of \$33k.

When you are in a disaster zone and everything you had at one time is no longer that little money offered by the government really comes in handy. It's a life saver for many and having months of rent paid for while you try to recover your life is something we all should appreciate and thank those that setup the program years ago.

So far it's safe to assume things are working out just fine. That's until you are told about your states HUD program working under the HUD Community Block Grant Program Disaster Recovery program. This typically starts one year after the declared disaster and is designed in whole to help out low to moderate income families that otherwise would not be able to afford repairs or the rebuilding costs of their homes.

Each state has it's own internal state name for the States Community Development programs. Each disaster comes with a new "Code" name for the recovery action plan.

Katrina / Rita = Road Home.

Katrina / Rita / Gustav / Issac = Louisiana Recovery Authority

2016 Floods = Restore

All names for the same government agency called OCD-DRU or Office of Community Development - Disaster Recovery Unit.

This is when things get confusing and very frustrating to disaster victims and it's not just in Louisiana. It's everywhere that HUD offers states grant money to help out the low to moderate income families to rebuild.

The CDBG-DR HUD program offers states grant dollars based on total household needs.

Then HUD requires 70% of every dollar be spent on Low to Moderate Income families.

Often states ask for waivers of the 70% to a zero percentage requirement and HUD normally accepts 50% of the total funds to help the low to moderate income families.

Now we have the funding processes we need to gather numbers of households that need the grant money to rebuild.

Those first in line are clearly spelled out, our elderly demographics and those with disabilities.

This does not always cover the LMI demographics.

Then we increase this range to include all households with 80% AMI or lower household combined income levels.

Now our local and state political agendas normally kick in, now that funding is secured at least the first round the state and local governments will focus on their expenses and their infrastructure repair costs.

HUD claims that the people come first and the LMI demographics are before all others. But state officials hire some of the best in the industry to secure funding for there agendas which typically start with their business partners, vendors, and other retail sales tax generating concerns.

You'll notice less news and less concern over the people and their personal rebuilding and repairing projects and more of a "Feel Good" story coming out of the government offices.

You know it's true when you see smiling faces in distant states talking about how nice it is to tour Washington D.C. while they are discussing city and state infrastructure projects. Projects as old as 30 years are dusted off and workers assigned jobs paid for by the most recent disaster funding.

Where did the population go? Still on the property, living in a trailer, RV, Camper, Manufactured home, or living in part of their unfinished home. It's what people do, they can't wait for bailouts or anything more once local government starts turning their interests to their own needs.

So we wait, year after year we wait, it took 11 years to close out the Road Home OCD-DRU project after Katrina and they still had major blight.

When we look at other storms we don't see all the disaster zones and how they are day in and day out. But in some parishes total communities had to be moved which may have taken a few years to a few months. We don't really hear what's happening 20 miles away, the local news forgets quickly and drops back into the national news and flash news they pride their work on.

Long term recovery means long term. Many don't know it floods all over the nation and it's the same in all parts. You'll have those that can rebuild quickly and those that abandon the properties or live in less than desirable conditions.

It's when we depend on the same people that have failed to provide anything close to being considered a speedy recovery process. If the average recovery after any major storm is 5 to 10 years in a persons lifetime living in the state of Louisiana you can bank on living your homeowner years in mostly recovery mode.

What does this do for a community?

When a community rebuilds with less each time it has less in the end. Some people think that the government gives more than it should to help. Many of us pay into the system designed to help disasters throughout the USA. We pay Flood insurance that helped with Colorado flood victims and Ohio and Michigan floods. We all support each other because we all live in areas that are prone to flooding or have weather patterns conducive to creating disastrous weather anomalies.

We stand in line, we go online, we follow the instructions that our state leaders tell us. Only to find that 42.5% of all of us don't qualify for any relief aid and some of those that do receive less than what is truly needed to make a successful recovery.

While our local governments plan to spend hundreds of millions on projects that may or may not help during the next flood the same state leaders are telling retirees that they have to borrow money and complete their

rebuilding on their own. While these retirees often say nothing those around watching can't stand in silence.

Why would HUD give money to the State of Louisiana to only have that money redirected away from the Low and Moderate Income classes to fund a major project that hasn't been proven to be cost effective in over 30 years?

How can HUD allow state local governments to pull funds from Administrative and Project Design to put into local city budgets to cover the costs of lost revenues due to the disaster?

For the most part we all feel HUD OIG has no clue to what is going on. They read the reports published by our OCD-DRU and those numbers are never really clear to those that are affected by them.

Example, when our State claims 50,000 homeowners have signed up for the program they are really saying "We have 25,000 homeowners that are not LMI and will not qualify for the HUD CDBG-DR Grant funds due to their incomes or credit worthiness. Time and time again we see the same pattern. Then we read the reports, 42% denied HUD CDBG-DR funds. this to the states means 42% of the total homeowners assistance program funds is not required in the homeowners assistance project and now can be moved to other projects that the state and local officials feel are important.

This happens because the HUD grants can come in if they discover later they really didn't have enough for homeowners. During Katrina this happened, homeowners received Grants and SBA loans then HUD came in and supplied additional grants which the SBA took to pay off and pay down SBA loans. They did this to the tune of \$943 million which HUD later reissued to the state of Louisiana to continue it's rebuilding.

Was it mismanagement or was it a government agency looking to lower it's debt on the books by taking money from another federal agency? It was, SBA did know that it was not correct to take HUD money to pay off loans but they did it anyway and did not have to return the money.

HUD grants then became forgive loans for those that qualified for SBA Loans. This again leaves the Low to Moderate Income families without means. Paying off debt from those that according to SBA could afford to repay the loan with money that was to help families that had no other options is truly bad government.

But it's not over, the LMI families are just beginning to feel the pain.

Next the state opts to lower the material and labor standards on home repairs for the LMI families. Where once was nice wood floors is now cheap vinyl style floor covering. Where once was knotty pine and cedar walls is now low grade drywall and cheap paint. Where you had nice kitchens and baths are now something lower than standard government housing.

It might have been better saving the 20% to 30% HUD gave to pay locally licensed contractors that seemed to hire anyone that could get to a job site and give that money to the homeowner and let them handle the repairs.

Blight is caused by such a repair and rebuild practice. Soon let's say 3 disasters later your home is basically worthless and only quick cash house flippers would be interested in your property.

The state starts making claims that each person needs to rebuild with resilient materials in mind and mitigate against future disaster all while they are taking away the funds that are needed to rebuild and to mitigate against future disasters.

Can you imagine living in your camper in your driveway in front of your attached double garage for 2, 3 maybe 4 years waiting for news on your application to elevate? You have two choices and both require you not to do anything to the home until you have been approved for the grant. Then you must have your 25% co-

pay cash ready on the spot or you will be disqualified for the mitigation grant. Imagine waiting 3 years then giving up and using your 25% co-pay personal funds to fix up a bathroom in your old home only to learn one year later you would have qualified to reduce the chances of being flooded in the future. It's impossible to determine how long things will take when the government agencies running the operation share only their program timelines which do not include timelines of money distribution. HUD requires states to distribute grant money quickly, it appears that quickly can mean anything from 2 to 10 years from what we have experienced in our lives.

HUD offers yearly and self paced training to the state agencies that are employed to manage disaster recovery projects and yet it seems they make up rules as they go.

Process and procedures seem to be made public as recovery efforts push forward which leaves everyone guessing to what comes next.

State level Community Development (Grantees) can merge the new laws into their state office of community development process or make their own rules. Once they are granted the federal dollars their are only a few rules, laws to follow and guidance can be ignored completely according to HUD OIG reports.

One major issue with the State of Louisiana Disaster Recovery Unit is how they ignore logic and ignore federal notices and public law. When a state can deny a low income to moderate income family any grant relief because of their ability to acquire a loan is not justifiable in my book.

HUD setup the CDBG-DR to help LMI households yet the state of Louisiana office of community development takes away the funds designed to help. Why is this?

The director of the program Patrick Forbes says it's because people didn't spend other grant money on home repairs. He actually stated that people went out and purchased vehicles.

It's amazing to see a person that manages the states recovery effort saying that poor people ran out and spent FEMA money on transportation when they lost their only mode of transportation to get to work which in turn pays for food and mortgages for the same families. It is also amazing to hear this when it was reported that over 200,000 vehicles were destroyed in the floods of 2016.

So some made a mistake and spent FEMA funds given to repair their homes and not purchase a vehicle. If you were here and listened to FEMA people they would tell you that the Rental Assistance is to help you with rents and the Individuals and Household assistance would state what you could spend the money on.

FEMA workers never once said you need to apply for the FEMA other needs assistance ONA to get the money you could spend on a vehicle. Not one FEMA employee told us or anyone we know how to get the money to replace a vehicle. FEMA did say that SBA would loan you the money, but for those of us that have no credit and low income that was not an option.

So our States Restore program managed by the OCD-DRU government agency here in Louisiana now tells poor people and moderate income people that they have to pay back any federal grant money the state agency feels was spent wrong.

Here's what they really did and who it hurts is not always who it was targeted against.

The states Duplication of Benefits process is designed to determine if a household managed the federal money to rebuild correctly. That's the first thing it was designed to do.

But what the state did not tell people that were repairing and rebuilding their homes was the state is going to

that money against any HUD CDBG-DR Grant amount.

Example:

Family approved for SBA Loan in the amount of \$40,000.00

Family declined the SBA Loan citing financial hardship.

Restore.LA.Gov the State of Louisiana OCD-DRU does not see financial hardship due to the ability to pay the SBA loan and denies the low income to moderate income family any repair money offered by HUD and their Community Development Block Grant – Disaster Recovery Grant program.

Governor John Bell Edwards was informed about this issue by the public and from what we understand by at least one congressman.

No state Senator has acknowledged that we have a possible problem not awarding HUD funds to the actual families the grants were designed to help.

It was only this week that Congressman Graves acknowledged the issue but has since dismissed it after talking with HUD.

We have made it very clear to every politician in the State of Louisiana that this is not a HUD issue but rather a State Office of Community Development Disaster Recovery Unit issue.

Management follows Governor J.B. Edwards suggestions which he has made none.

The Louisiana Recovery Task Force will follow J. B. Edwards suggestions but has made no official request.

Also Management follows Patrick Forbes who joined the OCD-DRU after the ending of the Louisiana Recovery Authority program and before the end of the Road Home program.

Patrick Forbes has been notified about the issue but has not responded.

We have asked for the State of Louisiana Restore.LA.Gov the Grantee of HUD CDBG-DR funds to assist in the recovery of the 2016 floods to explain the process they are using which denies the very people the HUD funds are designed to help.

We get no reply.

It's not a national issue, this is a federal agency that once it hands over its taxpayer supplied grants the states and local governments then decide what to do with it.

The State of Louisiana has started redirecting money from other programs into new made up programs by the state with soft titles like “First Responders and City Services” Grant Program. They are using the First Responders term to make giving city and parish taxpayer bailout money that is not to be repaid when the state knows about low interest (below 1%) loans it has acquired in past disasters even those managed by the program director Patrick Forbes.

It's impossible to communicate this one issue to all parties involved so we have as a group opted to publish the issue to the world in hopes that someone in Washington that works with HUD Office of Inspector General investigate Patrick Forbes and his OCD-DRU office which employees roughly 150 people.

We feel the state is on a path that will extend the repair time well past that of Katrina by forcing homeowners

of low income to abandon their homes due to financial hardship and the inability to acquire grants to assist them with their repairs.

There are very few that what handouts in the state of Louisiana. We all just want a helping hand so we can get back up on our feet.

When we hear the state is handing out \$8,000,000.00 to local cities and parishes before it's finished helping homeowners and families we feel government has placed themselves and their services above our worth as humans in our local communities.

The funds being transferred to create a new program are the same HUD funds that are designed to administrate and develop programs for the Low to Moderate Income households. It's known by the State of Louisiana OCD-DRU that total household recovery is underfunded but yet they are using HUD funds to bailout local government.

It's is of great concern we continue down the path of Government Before the People. It's also of great concern to deny a low to moderate income family grant money that could complete their repairs of their flood damaged homes. Denying a homeowner because they have good credit and from income reported appear to have the ability to repair the SBA loan is what our State Leaders are telling us.

This shows just how well our politicians understand budgeting. To deny a person based solely on the fact they were approved a SBA Loan that they can repay the loan is ignorant thinking.

We have asked that they do a financial report that includes both income and expense to show the financial hardship that would be caused by taking on additional debt.

Our hope is to reach the person or persons in the group that can help our five (5) members denied federal grants because of their good credit even though they are below 80% AMI.

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